

**Introduced by Senator Negrete McLeod**

February 24, 2012

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An act to amend Section 6508 of the Government Code, relating to joint powers agreements.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1557, as introduced, Negrete McLeod. Joint powers agreements: delegation of authority.

The Joint Exercise of Powers Act authorizes the governing body of an agency or entity formed pursuant to a joint powers agreement to delegate its functions to an advisory body or administrative entity for the purposes of program development, policy formulation, or program implementation under specified circumstances.

This bill would require a joint powers agency or entity, or its governing board, prior to delegating the responsibility for administering the joint powers agreement to another entity, or prior to delegating its functions to an advisory body or administrative entity for the purposes of program development, policy formation, or program implementation, to utilize the competitive bidding process to select the entity that will receive the delegation, unless the entity that will receive the delegation is a member of the joint powers agency or entity. This bill would also limit a delegation of authority to 3 years, and would prohibit reimbursement to the entity that received the delegation based upon a percentage of revenues, or on a contingency basis.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 6508 of the Government Code is amended to read:

6508. (a) The agency shall possess the common power specified in the agreement and may exercise it in the manner or according to the method provided in the agreement. If the agency is not one or more of the parties to the agreement but is a public entity, commission or board constituted pursuant to the agreement and such agency is authorized, in its own name, to do any or all of the following: to make and enter contracts, or to employ agents and employees, or to acquire, construct, manage, maintain or operate any building, works or improvements, or to acquire, hold or dispose of property or to incur debts, liabilities or obligations, said agency shall have the power to sue and be sued in its own name. Any authorization pursuant to the agreement for the acquisition by the agency of property for the purposes of a project for the generation or transmission of electrical energy shall not include the condemnation of property owned or otherwise subject to use or control by any public utility within the state.

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(b) (1) The governing body of any agency having the power to sue or be sued in its own name, created by an agreement entered into after the amendment to this section at the 1969 Regular Session of the Legislature, between parties composed exclusively of parties which are cities, counties, or public districts of this state, irrespective of whether all such parties fall within the same category, may as provided in such agreement, and in any ratio provided in the agreement, be composed exclusively of officials elected to one or more of the governing bodies of the parties to such agreement. Any existing agreement composed of parties which are cities, counties or public districts which creates a governing board of any agency having the power to sue or be sued may, at the option of the parties to the agreement, be amended to provide that the governing body of the created agency shall be composed exclusively of officials elected to one or more of the governing boards of the parties to such agreement in any ratio agreed to by the parties to the agreement. The governing body so created shall be empowered to delegate its functions to an advisory body or administrative entity for the purposes of program

1 development, policy formulation, or program implementation,  
2 provided, however, that any annual budget of the agency to which  
3 the delegation is made must be approved by the governing body  
4 of the Joint Powers Agency.

5 *(2) If a joint powers agency or entity formed pursuant to this*  
6 *article, or its governing board, exercises its authority to delegate*  
7 *the responsibility for administering the joint powers agreement to*  
8 *another entity, or to delegate its functions to an advisory body or*  
9 *administrative entity for the purposes of program development,*  
10 *policy formation, or program implementation, the joint powers*  
11 *agency or entity shall use the competitive bidding process to select*  
12 *the entity that will receive the delegation, unless the delegation of*  
13 *authority is to one of the parties to the joint powers agreement.*  
14 *Any contract entered into for any delegation described in this*  
15 *paragraph shall not exceed three years. At the expiration of the*  
16 *three-year period, the joint powers agency or entity shall, if the a*  
17 *delegation is to continue, reopen the competitive bidding process*  
18 *unless the delegation is to one of the parties subject to the joint*  
19 *powers agreement. The entity delegated the responsibility for*  
20 *administering a joint powers agreement or delegated the functions*  
21 *of the governing board shall not be reimbursed based upon a*  
22 *percentage of revenues, or on a contingency basis.*

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24 *(c) In the event that such agency enters into further contracts,*  
25 *leases or other transactions with one or more of the parties to such*  
26 *agreement, an official elected to the governing body of such party*  
27 *may also act in the capacity of a member of the governing body*  
28 *of such agency.*

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